

Testimony on HB 5044

Office of Early Childhood Budget

February 16, 2016

“Increasing the employability and stability of parents reduces the impact of poverty on children and sustains our nation’s workforce and economy” (CCDBG guidance, 2015)

Senator Bye, Representative Walker, and Members of the Committee:

My name is Edie Reichard. I am the Director of Sleeping Giant Day Care, Inc. in Hamden, CT. First I’d like to make a general remark on the Governor’s proposed budget. I am opposed to the concept of “block grants” to the state agencies. This approach gives too much discretion to the state bureaucracy and leaves programs with no idea of what funding will be appropriated. Imagine trying to make payroll, retain a quality workforce, and try to recruit children to our programs in this budget scenario. It is not workable and very unfair to providers and families.

I have been the Director of Sleeping Giant Day Care, a state funded child day care center, for 12 years. We serve 30 families each school year. We try to pay our teachers a reasonable hourly wage, but fall short due to the small amount of money our families pay to attend, the low rate of Care4Kids reimbursements, and the amount of our grant. I have 3 classroom teachers: one with a master’s degree, one working on her bachelor’s degree and one with her associate degree. I also have one teacher assistant working on her associate degree and a teacher’s aide working on her GED. We are mandated by the state to maintain NAEYC accreditation which means degreed teachers, offering good benefits, paying for professional development and paying to keep our accreditation (this tends to be costly to programs). If we were to close our doors due to lack of funding our families and children would lose their care, have to stay home, lose their jobs, and need to all live off the state (food stamps, utilities, housing).

Connecticut State Funded Child Daycare Centers (CDCs), established by state statute, have provided early care and education to 4000 birth to school age children of low and moderate income working parent families daily since 1968. My program has been providing this care since 1979.

Stagnant state and federal funding of our programs has resulted in an economic crisis for the nearly 1000 teachers, assistants, and support staff necessary to keep our doors open. Despite this situation, we continue to provide high quality NAEYC accredited programming to our families.

According to a recent report by the President's Council of Economic Advisor's, investments in early childhood development will reap economic benefits now and in the future. Immediate benefits include increased parental earnings and employment; future benefits come when children who experience high quality learning opportunities are prepared for success in school and go on to earn higher wages as adults.

In spite of these facts and what we know about the brain science that tells us of the importance of the first 100 days and the years leading up to three, reimbursement rates for infants and toddlers is appalling considering that it costs nearly twice as much to pay for infant/toddler care than it does to pay for preschool care due to the ratios of children to staff (I/T is 4:1 where preschool is 10:1). Just looking at the care for preschool, it is estimated that quality care is \$12,000 - \$15,000 per child per year, yet the state reimbursement is less than \$8,500 per child despite a recent increase.

Both the new federal Early Learning Challenge Grant Program (which won the state \$12.5 million this year) and the state Smart Start program require that classroom teachers be paid the same as teachers in local public schools. Connecticut state law requires that 100% of our teachers must have a bachelor's degree by 2020. We know quality teachers with early childhood degrees and credentials are important for high quality programs we offer, yet we pay many of our current staff less than half of the starting salary for Connecticut public school teachers. This creates a dual system of early care and education and is counter to goals of the creation of the Office of Early childhood. One system!

A teacher with 20 years of experience and a bachelor's degree is currently earning \$30,000 to \$35,000 per year. There is, in most communities, no access to benefits that are available to preschool teachers in public schools. For example, most staff is forced to pay a substantial portion of medical insurance in many communities and have little or no retirement.

The families we serve are below 50% of poverty level and cannot afford increased fees. We are subject to the fee schedule set by the state and limited in finding additional funding. We are the first line of defense for helping families out of poverty.

We are small businesses that contribute to the overall economy and a vital "infrastructure" to the Connecticut economy. Child care needs a "lock box" and is just as important as the transportation infrastructure needed to get people to work. Research is clear that lost work hours for unreliable child care have a negative impact on the economy. Increasing the employability and stability of parents reduces the impact of poverty on children and sustains our nation's workforce and economy.

The Governor challenges us to leverage shrinking resources and set priorities for funding. I offer the following ideas on how to cut spending at the Office of Early childhood and focus on direct services to children and families.

1. Focus on quality childcare for working parents: There should be a temporary moratorium on new slots to be allocated for Smart start, School Readiness, or any other preschool program. Funding in the budget for those new slots should be repurposed to maintain and augment reimbursement rates to increase wages to stabilize the child care industry.
2. Reduce funding for expansion of Quality Improvement system (QIS) and focus on direct services to children and families. State Funded Centers are required to be NAEYC accredited and teachers must have BA degrees by 2020. Extending QIS measures to all child care settings stretches scarce resources and should be delayed until appropriate dollars are put into the system.
3. Establish equity among all state childhood programs including those offered by local school districts relative to rates, requirements, parent fees, data collection etc.
4. Delay implementation of costly regulations in the new State Child Care Plan. CT relies on the Child Care Development Block Grant (CCDF portion known as Care4Kids) to fund child care in all types of settings: state funded centers; family child care; and kith & kin.

The OEC's proposed State Child Care Plan is very ambitious and costly and will take dollars from direct services. The Plan seeks to have all providers in all settings get finger printed; obtain state licenses; reduce the number and hours of non-licensed care givers; require inspections yearly and mandate 18 hours of training for providers. Again, without new dollars, these regulations will take dollars from direct services. I recommend delaying implementation of the plan until new dollars are put into the system. (Note: currently licensed providers get background checks, proposed regulations would extend to any resident living in the home of a kith & kin provider, but a relative care giver of a child would still be exempt.)

In summary, State Funded Child Daycare Centers, such as mine, provide a core service to working families in Connecticut and without these programs families would be hard pressed to find affordable, quality child care. Both economic studies and child development research confirm the critical role quality child care plays in society; it is the linchpin to the creation of an educational system that successfully supports the country's workforce development, economic security, and global competitiveness.

I urge you to maintain your role in the budget process and keep control over line items to ensure transparency and accountability in the process.

Thank you for consideration of these remarks.

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